



U.S. Department of Agriculture
Foreign Agricultural Service

Fact Sheet

WTO and Agriculture **What's at Stake for Kentucky?**

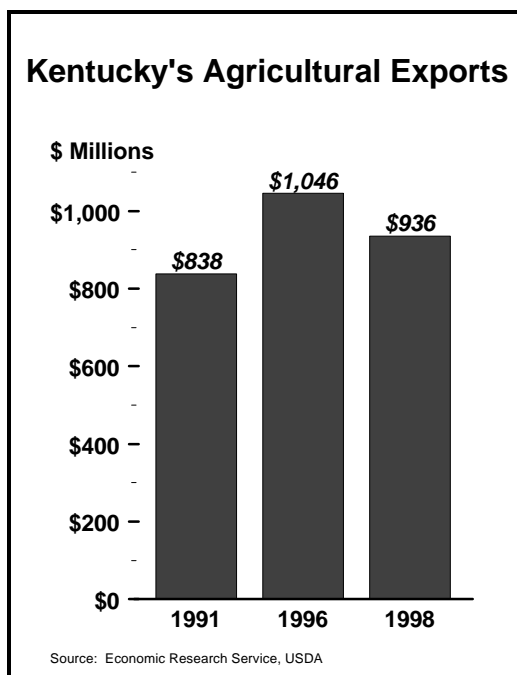
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Kentucky is an important producer and exporter of agricultural products. In 1998, the state's cash farm receipts totaled \$3.9 billion, and it ranked 19th among all 50 states in the value of its agricultural exports. Kentucky's exports reached an estimated \$936 million that year. These exports help boost farm prices and income, while supporting about 14,200 jobs both on and off the farm in food processing, storage, and transportation. Exports are important to Kentucky's agricultural and state-wide economy. Measured as exports divided by farm cash receipts, the state's reliance on agricultural exports is about 24 percent.

The top five agricultural exports in 1998 were:

- # tobacco leaf -- \$344 million
- # live animals and red meats -- \$204 million
- # soybeans and products -- \$141 million
- # feed grains and products -- \$76 million
- # wheat and products -- \$54 million

World demand for these products is increasing, but so is competition among suppliers. If Kentucky's farmers, ranchers, and food processors are to compete successfully for the export opportunities of the 21st century, they need *fair trade* and *fair access* to growing global markets.



Kentucky Benefits From Trade Agreements

- # With a large portion of its farm receipts coming from the cattle industry, Kentucky benefits from the Uruguay Round with a 38-percent reduction in the quantity of EU beef receiving export subsidies by 2000. Japan is reducing beef tariffs from 50 percent to 38.5 percent. Korea will eliminate its beef import quota by 2001 and reduce its tariffs to 40 percent by 2004. The Philippines is reducing its beef tariff from 60 percent to 35 percent.
- # Kentucky, the nation's 2nd largest tobacco grower, benefits under the Uruguay Round as Argentina, Brazil, Turkey and others reduce import duties.